

ONE HUNDRED SECOND LEGISLATURE - FIRST SESSION - 2011
COMMITTEE STATEMENT
LB386

Hearing Date: Monday January 31, 2011
Committee On: Business and Labor
Introducer: Heidemann
One Liner: Provide job training grants for interns

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 5 Senators Cook, Carlson, Smith, Wallman, Lathrop
Nay:
Absent:
Present Not Voting: 2 Senators Ashford, Harr

Proponents:

Lavon Heidemann
Richard Baier
Rick Meyer
Dennis Houston
Ray Afrank
Bob Hallstrom
Caleb Pollard

Joseph Knecht
Dennis Baack

Garry Clark

Lynn Rex
Justin Solomon

Opponents:

Neutral:

Representing:

Introducer
Department of Economic Development
Midwest Holding
Norfolk Area Chamber of Commerce
Agreliant Genetics
Nebraska Bankers Association
Ord Area Chamber of Commerce, Lincoln Chamber of Commerce, Omaha Chamber of Commerce, Nebraska Economic Developers Association
Vipa Solutions
Nebraska Community College Association, University of Nebraska, Nebraska State College System, Nebraska State Chamber of Commerce and Industry
Cumming County Economic Development County Government
League of Nebraska Municipalities
Association of Students of the University of Nebraska Student Government (ASUN)

Representing:

Representing:

Summary of purpose and/or changes:

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LB 386 is introduced on behalf of the governor and creates job training grants for certain businesses that wish to provide paid internships.

Section 1: definitional section defining department, distressed area, eligible company, intern, and internship.

Section 2: states the policy of attracting and keeping students seeking certain degrees by providing paid internships.

Sets requirements for job training grants for eligible internships to include: internships created after the operative date of

the act, internships that pay at least the federal minimum wage, and internships that require a minimum of 200 hours in a 12 week period.

The Department of Economic Development may provide grants that pay up to the lesser of 40% of the cost of the internship or \$3,500. In distressed areas, the department's grants can be up to 60% or \$5,000.

Limits an eligible company to no more than two grants for the same intern and no more than five grants in a 12 month period. Allows telecommuting if the eligible company is located more than 30 miles from the intern's school and the school is in Nebraska.

Directs the department to equitably distribute the grants across Nebraska. Limits the amount allocated under this section to \$1,500,000 for each FY2011-12 and FY2012-13. Allows the department to supplement the fund with public, private, or other sources of money.

Section 3: allows the department to adopt rules and regulations.

Section 4: amends section 81-1201.02 to include job training grants for internships as an acceptable use for the Job Training Cash Fund.

Explanation of amendments:

EXPLANATION OF AMENDMENTS:

The committee amendment makes two changes. It clarifies that a distressed area includes counties with fewer than one hundred thousand inhabitants. The definition of intern is clarified to two-year college students that have completed at least half of the credit hours needed to complete the associate's degree and Nebraska residents attending out-state colleges must meet the same academic level as students attending in-state institutions. Specifically, the students must have achieved either a junior or senior level status.

Steve Lathrop, Chairperson